NTPC'S Joint Venture with ABB, Swedish

1999. SHRI N.E. BALARAM:
SHRI GURUDAS DAS GUPTA:
SHRI SHABBIR AHMED SALARIA:

Will the MINISTER OF POWER AND NON-CONVENTIONAL ENERGY SOURCES be pleased to state:

(a) whether it is a fact that a joint venture is propose to set up between the Swedish multinational electric equipment manufacturer ABB and the National Thermal Power Corporation;

(b) if so, what are the details thereof;

(c) whether the National Confederation of Officer's Association of Central Public Sector Undertakings has opposed this move; and

(d) if so, what are the details thereof and what is Government's reaction thereto?

THE MINISTER OF STATE OF THE MINISTRY OF POWER AND NON-CONVENTIONAL ENERGY SOURCES (SHRI KALP NATH RAI): (a) Yes, Sir.

(b) Asea Brown Boveri of Switzerland and the National Thermal Power Corporation have signed a Memorandum of Understanding to confirm the intention of the parties concerned to set up a power plant through a new joint sector company in accordance with the notified policy of Government of India to encourage greater participation by private enterprises in the Electricity Sector to bring in additionality of resources from the private sector for capacity addition programme in electricity generation, supply and distribution fields.

(c) In an open letter to the Prime Minister, the National Confederation of Officers' Association (NCOA) have, *inter-alia*, stated that implementation of power projects through such joint ventures may lead to high costs and under-utilisation of indigenous capacity. The letter also questions other issues such as need for gas-based power projects as also the need for foreign/ private investment in the power sector.

(d) Government policy to encourage private sector participation in power sector has been evolved to attract additionality of resources for power sector programmes through private sector investment to meet severe power shortages. Adequate mechanisms are available to limit project costs. The power capacity addition programme of the country is such that available indigenous capacity would be used.

[12.00 Noon]

(The Deputy Chairman in the Chair)

PAPERS LAID ON THE TABLE

I. Report and Accounts (1990-91) of the Sports Goods Export Promotion Council, New Delhi and related papers.

II. Memorandum of Understanding (1991-92) between the Govt. of India (Ministry of Commerce) and the State Trading Corporation of India Limited.

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): Madam, I lay on the Table—

I. A copy each (in English and Hindi) of the following papers:—

(i) Thirty-third Annual Report and Accounts of the Sports Goods Export Promotion Council, New Delhi, for the year 1990-91, together with the Auditors' Report on the Accounts.

(ii) Review by Government on the working of the above Council.

(iii) Statement giving reasons for the delay in laying the papers mentioned at (i) above. [Placed in library. *See* No. LT 1541/92 for (i) to (iii)]

II. A copy (in English and Hindi) of the Memorandum of Understanding between the Government of India (Ministry of Commerce) and the State Trading Corporation of India Limited, for the year 1991-92 [Placed in Library. *See No. LT 1542/92]*

Notifications of the Ministry of Communications (Deptt. of Posts)

THE MINISTER OF STATE OF THE